



BRIEFING: May 2013 BOARD MEETING AGENDA ITEM #2

TO: Chairman Richard and Board Members

FROM: Frank Vacca, Chief Program Manager and Tom Fellenz, Chief Counsel

DATE: May 2, 2013

RE: Approval of Amendment to AECOM Regional Consultant Contract/Direct Staff to Prepare Recommendation to Re-advertise: Merced-Sacramento Section

Introduction

It is the Authority's intent to best serve the public interest by delivering all aspects of the California High-Speed Train Program on schedule, at the lowest possible cost, and with quality that meets or exceeds acceptable industry and government standards. Based on the following analysis, staff has determined it is in the best interest of the State to amend this existing contract for time only and to prepare a recommendation for the Board to re-advertise for this section. Staff therefore requests Board approval of the staff recommendation. This contract, as with all of the Authority's Architectural & Engineering (A&E) contracts, contains the Board adopted 30 percent small business participation goal and a 30 day termination clause.

Background

The Authority's contract with AECOM, one of the eight Regional Consultant contractors (RC), is approaching the limits of its current contract for duration and requires Board approval for an amendment. The Merced to Sacramento section is 110 miles long. It runs east and south, roughly paralleling Highway 99 and I-5 from Sacramento to Merced where it will connect with the Merced to Fresno and Merced to San Jose sections. The current contract expires on June 30, 2013. The contract is task driven and the RC will only perform duties that it is directed to perform by the Authority.

The contract with AECOM was awarded on February 12, 2007 for the Merced to Sacramento section and the Merced to Fresno section. The original contract value for both sections was \$83.4 million and was to complete the EIR/EIS, 15% engineering and to conduct public outreach on both sections. The contract duration for both was through June 30, 2013. As of March 2013, \$6.5 million has been expended on the Merced to Sacramento section.

The procurement process was managed directly by Authority staff consistent with the state's competitive A&E procurement process. Proposals were evaluated by a team of Authority staff and staff from other state departments with contracting experience who evaluated the proposals

and made recommendations to the Authority. This contract as with all of the Authority's A&E contracts contains a 30 day termination clause.

The original contract was based on an implementation schedule that assumed an environmental Record of Decision by 2015. Subsequent to the establishment of the original scope, schedule and budget for this section in 2007, the Authority adopted the Revised 2012 Business Plan and SB 1029 was enacted. The Authority is now implementing the system through the phased/blended approach described in the Business Plan.

Staff recommends amending the contract duration with AECOM for additional work on the Merced to Sacramento section, extending it up to ninety days. Staff further recommends that it prepare a recommendation for the Board's consideration within the next ninety days for an approach to re-advertising for this section, one which realigns the work with the 2012 Business Plan. (A separate Board item addresses a proposed amendment for the Merced to Fresno section.)

It is important to note that this extension is based on producing specific deliverables, work product, and project milestones and does not require any additional financial resources beyond current contract levels.

To date the following work has been conducted:

- Preparation of a Scoping Report
- Initiation of Alternatives Analysis
- Public outreach activities

The contract is an Architectural and Engineering (A&E) services contract as defined in Government Code, Section 4525 and, therefore, extending this contract is within the Board's scope and will not require approval by the Department of General Services pursuant to Section 11.00 of the State Contracting Manual (SCM).

Discussion

This recommendation considers the following opportunities and risks: loss of consistency/continuity, stakeholder relationships, competition, potential conflicts of interest, loss of institutional knowledge, and imminent disruption and delay. This qualitative risk-based assessment was performed in consultation with the Authority's Chief Deputy Director, Chief Program Manager, Chief Financial Officer, Regional Directors, Chief Counsel, and Risk Manager.

As the high-speed rail program advances and matures, professional consultant services procurement, structure, and organization will be continuously assessed and enhanced. Due to the dynamic nature of the project, there will likely be future opportunities to improve efficiency. Over the next year, the Authority plans to implement various strategic planning initiatives. The area of professional consulting services procurement will be one area of emphasis with the goal of building on the Authority's long term consulting strategy.

The attached graph shows the status of expenditures for the regional consultants and the program management team. The expenditures are currently trending below what was initially planned as schedule and work adjustments have been made consistent with the Revised 2012 Business Plan, SB 1029, Proposition 1A and federal funding guidelines.

This proposed action would cover the following:

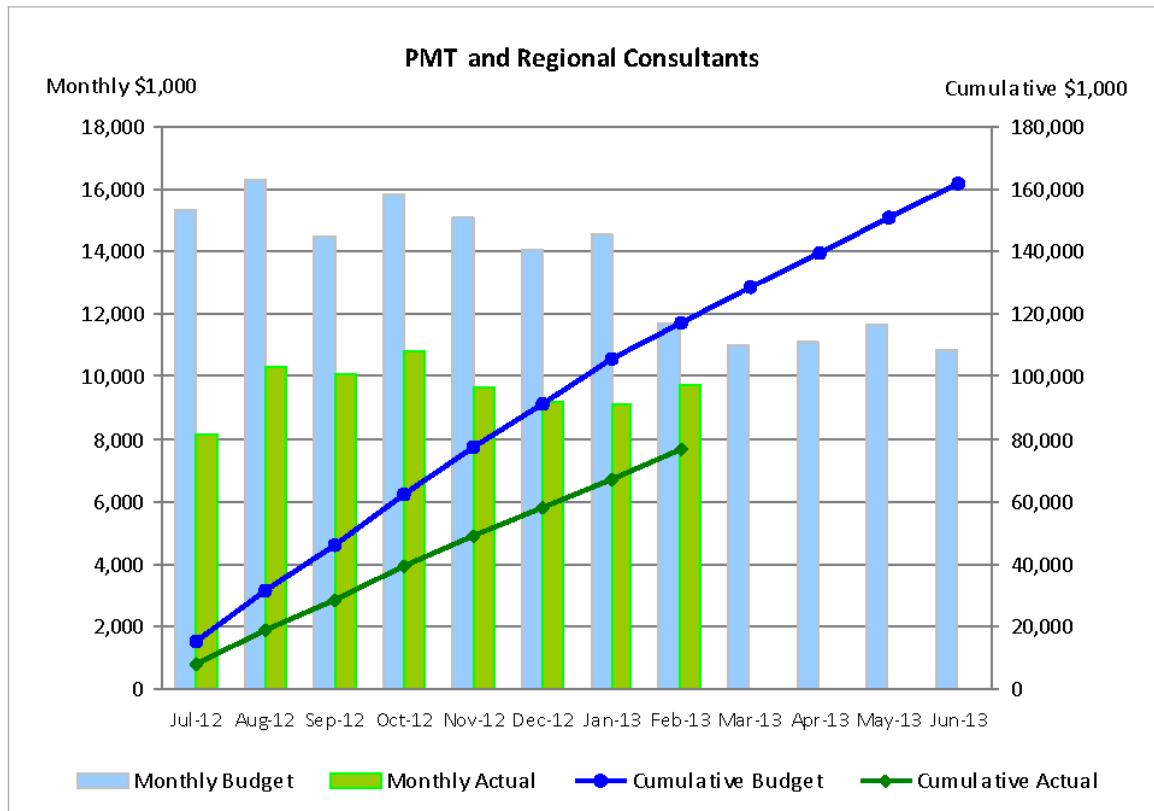
- Extend contract duration up to ninety days for work on the Merced to Sacramento section. No additional funding is required.
- Direct staff to prepare an approach for a re-advertisement for this section

Recommendation

Staff recommends that the Board approve an amendment to extend the contract with AECOM for up to 90 days and direct staff to prepare a new approach for the Merced to Sacramento section, one which realigns the work with the 2012 Business Plan, and to bring a recommendation to the Board within ninety days.

Attachment

- PMT and Regional Consultants expenditure graph
- Resolution # HSRA 13-08



CHSRA Program Components	February (\$1,000)		Fiscal Year Cumulative (\$1,000)				Total FY Budget
	Monthly Planned	Monthly Actual	Planned	Actual	Variance Over/Under	% {-Over/ +Under}	
Program Management (PB)	\$4,662	\$4,365	\$39,302	\$29,918	\$9,383	24	\$58,992
San Francisco - San Jose (HNTB)	\$133	\$31	\$1,156	\$217	\$939	81	\$1,728
San Jose - Merced (Parsons)	\$1,288	\$1,131	\$7,545	\$6,823	\$722	10	\$12,957
Merced - Fresno (AECOM)	\$944	\$1,050	\$9,787	\$8,212	\$1,575	16	\$13,296
Fresno - Bakersfield (U-H-A)	\$1,612	\$1,753	\$23,726	\$12,643	\$11,083	47	\$28,347
Bakersfield - Palmdale (U-H-A)	\$916	\$559	\$13,963	\$8,704	\$5,259	38	\$16,296
Palmdale - Los Angeles (H-U-A)	\$908	\$519	\$9,771	\$6,339	\$3,432	35	\$12,017
Los Angeles - Anaheim (STV)	\$468	\$118	\$3,735	\$1,562	\$2,172	58	\$6,068
Los Angeles - San Diego (HNTB)	\$348	\$41	\$3,039	\$1,111	\$1,928	63	\$4,550
Sacramento - Merced (AECOM)	\$261	\$79	\$3,035	\$839	\$2,196	72	\$4,100
Altamont (AECOM)	\$158	\$81	\$2,379	\$631	\$1,748	73	\$3,686
TOTAL	\$11,697	\$9,727	\$117,437	\$76,999	\$40,438	34	\$162,036